



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

May 25, 2011

To: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

From: William T Fujioka
Chief Executive Officer

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

ACTION PLAN AND TIMETABLE FOR A PUBLIC PROCESS TO VET THE DEPARTMENT OF PUBLIC HEALTH'S ENVIRONMENTAL HEALTH RATE RESTRUCTURING PLAN

On May 10, 2011, your Board directed the Chief Executive Officer (CEO), in consultation with the Director of Public Health, Treasurer and Tax Collector, Auditor-Controller, and County Counsel to: submit to the Board within two weeks, an action plan and timetable for a public process, based on concepts set forth in the motion, to thoroughly, transparently and expeditiously vet the rate restructuring plan, modify it as appropriate, then resubmit it as modified for approval; submit the rate restructuring plan with the appropriate modifications for approval as specified in the action plan and timetable; and concurrently submit a proposed process for regular County dialogue with stakeholders about environmental health licensing, permitting and inspection issues, and ideas for improvement in methods, quality, cost, and rates.

In addition, your Board directed the Director of Public Health to: 1) immediately post the fee study on the Department of Public Health's website and ensure all staff who may interact with impacted businesses are aware the information has been posted; and 2) report back within 60 days with recommendations to improve the service that it provides to Public Health permit holders. In particular, the recommendations should address the Department's slow response times to plan check requests, the inconsistent interpretation and enforcement of the food code (also referred to as the "California Retail Food Code"), the unprofessional behavior of some Environmental Health staff,

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and ways to ensure that permit holders are able to share their concerns without fear of retaliation. The Department's report should assume that all recommended actions can be achieved without additional resources.

The fee study was posted to the Department of Public Health (DPH) website on May 12, 2011, and all DPH staff that interacts with the impacted businesses were advised of the posting so that they may appropriately direct public inquiries.

Please note, in response to your Board's instruction to improve the service it provides, DPH will submit recommendations under separate cover no later than July 8, 2011.

This Office convened a meeting with representatives from DPH, Treasurer and Tax Collector, Auditor-Controller, and County Counsel and developed the attached requested action plan and timetable (Action Plan).

The Action Plan outlines various objectives and action items to be completed prior to the item being brought back to your Board, including notifying affected/interested parties of two upcoming public meetings, convening two public meetings and maintaining continued discussions with members of the food and rental housing industries, and establishing a process for regular meetings between DPH and regulated industries. As further requested, the two upcoming public meetings will be convened to: 1) provide information on the fee increase proposal and the study on which it is based; 2) advise attendees of the proposed new rates and the rationale for them; 3) provide access to all public information on the subject; 4) provide a means to ask questions and receive clear answers; 5) provide attendees the opportunity to suggest modifications and submit other comments; and 6) have all such input documented and considered for potential modification to the fee increase proposal. The attached also provides further details on the Action Plan's objectives, action items, and target completion dates.

Upon completion of the objectives and action items identified in the Action Plan, including the two public meetings, DPH will return to your Board with a rate restructuring plan, with appropriate modifications. The modified rate restructuring plan will be brought to your Board for consideration on July 12, 2011.

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If you have any questions, please contact me or your staff may contact Sheila Shima, Deputy Chief Executive Officer, at (213) 974-1160 or sshima@ceo.lacounty.gov or Angelo Bellomo, Director of DPH's Environmental Health Division, at (626) 430-5100 or abellomo@ph.lacounty.gov.

WTF:SAS
MLM:RFM:gl

Attachment

c: Executive Office, Board of Supervisors
 County Counsel
 Auditor-Controller
 Public Health
 Treasurer and Tax Collector

052511_HMHS_MBS_ DPH EH RATE RESTRUCTURING PLAN

**PUBLIC MEETINGS TO DISCUSS PUBLIC HEALTH'S
ENVIRONMENTAL HEALTH FEES RATE RESTUCTURING PLAN**

ACTION PLAN AND TIMETABLE

Objective 1.0: Provide notification to affected parties, including rate payers, members of the public and other interested parties, on the proposed Environmental Health (EH) permit and license fee adjustments and the availability of upcoming public meetings to: 1) discuss the proposal/rate study; 2) be advised on the rationale for the proposed new rates; 3) conduct a question and answer session; and 4) suggest modifications and/or submit other comments.

Action 1.1: By May 17, 2011, update attached list of associations representing parties affected by the proposed EH permit and license fees (**Completed**).

Action 1.2: By May 20, 2011, notify affected parties of: 1.) the proposed fee adjustments; 2.) the dates of two scheduled public meetings; and 3.) opportunities for public comment. This notification also includes web posting of the study upon which the proposed fee adjustment is based and other relevant information, which was completed on May 12, 2011 (**Completed**).

Action 1.3: By May 20, 2011, arrange a series of discussions for May 23, 2011, through June 15, 2011, with members of the food and rental housing industries (**Completed**).

Action 1.4: By May 27, 2011, send a postcard notification to fee payers informing them of the proposed fee adjustments, referring them to sources of information about the proposal and providing contact information for making inquiries, the opportunities for submitting written comments and providing testimony at the July 12, 2011, Board meeting, and advising that the annual billing will be delayed this year and the validity of their existing permit is extended accordingly.

Objective 2.0: Continue discussions with members of the food and rental housing industries and convene the two public meetings with the affected parties to: 1) discuss the proposal/rate study; 2) discuss the rationale for the proposed new rates; 3) conduct a question and answer session; and 4) receive suggested modifications and/or other comments and prepare the final fee schedule for Board approval.

Action 2.1: By June 10, 2011, convene a series of meetings solely with members of the food and rental housing industries to address industry-specific concerns in a small conference setting.

Action 2.2: By June 10, 2011, convene two scheduled public meetings with all affected rate payers and business owners, including members of the food and rental industries.

Action 2.3: By June 15, 2011, consider input received from affected parties.

Action 2.4: By June 17, 2011, prepare draft revisions to the fee ordinance in consultation with County Counsel, Treasurer and Tax Collector, Auditor-Controller, and the Chief Executive Office (CEO). Draft will incorporate, as necessary/appropriate, the input received from the affected parties. Provide preliminary drafts to these partners as it becomes available.

Action 2.5: By June 22, 2011, submit the final fee schedule and ordinance, with the accompanying Board letter, to CEO and County Counsel for final review and approval.

Action 2.6: On June 29, 2011, DPH presents the Board letter and proposed, revised EH fee schedule at the Health and Mental Health Services Agenda Review meeting with the Board Deputies.

Action 2.7: By June 30, 2011, DPH submits the Board Letter and proposed EH fee schedule for the July 12, 2011, Board meeting.

Objective 3.0: Define a schedule for regular meetings, the duration of which is to be determined, between DPH and regulated industries to discuss: 1) environmental health licensing; 2) permitting and inspection issues; 3) ideas for improvement in methods, quality, cost, and rates; 4) trends in compliance; 5) proposed regulatory changes and initiatives; and 6) emerging industry practices, policy issues and other concerns.

Action 3.1: By June 15, 2011, schedule/calendar regular meetings between EH and industry stakeholders and expand as appropriate.

Action 3.2: By June 28, 2011, finalize schedule as an attachment to the Board letter to be filed for the July 12, 2011, Board meeting.

**List of Associations Representing Parties Affected by
Proposed EH Permit and License Fees**

Food Facilities

- California Restaurant Association
- Food Safety Advisory Council
- Korean Restaurant Association
- California Grocers Association
- California Independent Grocers Association
- California Retailers Association
- California Beverage Retailers Association (CBRA)
- Southern California Mobile Food Vendors
- La Asociacion de Loncheros
- Food Industry Business Roundtable

Private Schools

- Archdiocese of Los Angeles
- California Association of Independent Schools

Housing

- Apartment Association of Greater Los Angeles
- California Apartment Association, Los Angeles Chapter
- California Hotel and Lodging Association
- California Association of Homeowners Associations, Inc.
- Community Associations Institute (CAI) - Greater Los Angeles Chapter

General Business

- LA Area Chamber of Commerce
- West LA Chamber of Commerce
- California Small Business Association
- Central City Association
- Valley Industry and Commerce Association

Solid Waste Facilities

- LA County Solid Waste Management Committee
- Los Angeles County Disposal Association
- County Public Works
- County Sanitation District
- California Waste Association

Recycled Water and Small Water Systems

- City of Pomona
- Las Virgenes Water District
- West Basin Water District
- LA DWP
- Central Basin Water District
- Westside Park Mutual Water Company